GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:801
ANSWERED ON:05.12.2003
SWAROJGAR CREDIT CARDS
NANDIPAKU VENKATASWAMY;SULTAN SALAHUDDIN OWAISI

Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India (RBI) has asked all the banks to introduce Swarojgar Credit Cards for self-employed persons such as fishermen and rickshaw owners;

(b) if so, the salient features of the scheme;

(c) the target fixed for issuing such Credit Cards during the current financial year, State- wise; and

(d) the manner in which this scheme is different from Kisan Credit Card Scheme ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI ANANDRAO V. ADSUL)

(a) : Yes, Sir.

(b) : The salient features under Swarojgar Credit Card (SCC) scheme are as under:

- The scheme provides credit i.e. working capital/or block capital or both to small artisans, handloom, weavers, service sector, fishermen, self- employed persons, rickshaw owners and other micro-entrepreneurs in a flexible, hassle free and cost-effective manner

- The facility may also include a reasonable component for consumption needs.

- The SCC is valid for 5 years and renewable on a yearly basis subject to satisfactory operation of the account.

- The normal limit of loan to be fixed under the scheme is Rs. 25,000/- but in deserving cases banks may consider higher limits.

- Beneficiaries under the scheme would automatically be covered under group insurance scheme and the premium has to be shared between the bank and beneficiaries.

(c) : The State-wise details of target fixed under the scheme during 2003-04 are given in the Annexure.

(d) : The SCC scheme differs from Kisan Credit Card in the following manner:

- The KCC provides credit to the farmers only whereas the SCC scheme covers the entire group of small borrowers of non- farm sector and provide credit to small artisans, handloom weavers, service sector, fishermen, self employed persons, rickshaw owners, other micro entrepreneurs from banks.

- The SCC provides a component for consumption needs whereas the KCC does not provide the same.

- The SCC scheme is valid for 5 years whereas the KCC is valid for 3 years.

- The maximum loan amount under SCC is Rs. 25,000 but in deserving cases banks may consider higher limits whereas the loan amount under KCC depends upon land holding/cropping pattern etc.